

FISCAL NOTE

SB 1899 - HB 1958

April 17, 2003

SUMMARY OF BILL: Entitles a person covered by health insurance who is prescribed six or more types of medication to receive two medication counseling sessions with a Doctor of Pharmacy during the first year the patient begins such sessions. Creates requirements for issues discussed in the counseling session and requires that a report of the first session be sent to the prescribing physician. Requires health insurers to offer to provide reimbursement coverage for medication counseling. The first and second counseling sessions during the first year would be reimbursable through the patient's insurance coverage.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$4,000,000

Other Fiscal Impact - Increase Federal Expenditures - Exceeds \$6,000,000

Increase Expenditures - Exceeds \$10,000,000/Health Insurance Industry**

Increase Local Govt. Expenditures - Exceeds \$1,000,000*

Estimate assumes:

- Increased costs to the TennCare program for reimbursement of counseling sessions by pharmacists. In November 2002 over 150,000 TennCare enrollees had six or more prescriptions. The amount of the increase cannot be determined but is estimated to exceed \$9,000,000 of which the state share is approximately \$3,000,000.
- Increased costs to the state employee health insurance plan and local government health insurance plans for reimbursement of counseling sessions. The amount cannot be determined but is estimated to exceed \$1,000,000.
- Increased costs to private health insurance plans for reimbursement of counseling sessions. The amount cannot be determined but is estimated to exceed \$10,000,000.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**The impact on the health industry is included as required by Chapter 244 of the Public Acts of 1989.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director